

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 2007-42-WS - ORDER NO. 2007-229

APRIL 3, 2007

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|----------------------------------------------------|---|-----------------|
| IN RE: Application of Carolina Water Service, Inc. |) | ORDER APPROVING |
| for Approval of a Contract with Murray |) | CONTRACT |
| Landings Townhouses, LLC |) | |

This matter comes before the Public Service Commission of South Carolina (“Commission”) on the Application of Carolina Water Service, Inc. (“CWS” or “Applicant”) for approval of a contract with Murray Landings Townhomes, LLC (“Developer”). The Applicant and Developer have entered into an agreement for wastewater service dated December 28, 2006.

The Applicant proposes to serve Murray Landings Townhomes, which will consist of approximately one hundred sixteen (116) townhomes and eleven (11) single family homes when completed. The Agreement provides, *inter alia*, that the Developer will construct all of the necessary sewer facilities required to connect the proposed development to CWS’s facilities serving its designated Friarsgate Franchised Service Territory, acquire all necessary easements and rights-of-way, and convey such facilities and easements to CWS.

According to the Application, the proposed development is within the Company’s authorized service area in Lexington County, and the area is franchised to

CWS. No other public or governmental utility is currently authorized to serve the proposed development.

Pursuant to the Agreement, Applicant has agreed to reserve adequate utility capacity for up to one hundred twenty-seven (127) wastewater connections located within the development, for a period of three (3) years from such time as the facilities have been formally accepted by CWS. After that time, CWS shall not be obligated to reserve capacity for which no capacity fees have been received. CWS submits that this provision is warranted and in the public interest as it ensures that the developer cannot warehouse capacity such that other development may be discouraged by a potential lack of available capacity. Further, the terms of this contract allow the utility to adequately engage in planning for future operations.

The Office of Regulatory Staff (ORS) does not oppose the Application. The location of the development is within the existing service area of CWS. Capacity is not an issue in this matter.

We therefore approve the Application and the contract. The proposed development to be served is in the service territory of CWS, and no other public or governmental utility is currently authorized to serve the proposed development.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



G. O'Neal Hamilton, Chairman

ATTEST:



C. Robert Moseley, Vice Chairman

(SEAL)